

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.,¹) Case No. 01-01139 (JJF)
) (Jointly Administered)
)
Debtors.)

**SUMMARY OF THE FIRST QUARTERLY INTERIM VERIFIED
APPLICATION OF KIRKLAND & ELLIS FOR COMPENSATION FOR
SERVICES AND REIMBURSEMENT OF EXPENSES AS BANKRUPTCY
COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE INTERIM PERIOD
FROM APRIL 2, 2001 THROUGH JUNE 30, 2001**

Name of Applicant: **Kirkland & Ellis**

Authorized to Provide Professional Services to: **W. R. Grace & Co., et al., Debtors and
Debtors-in-Possession**

Date of Retention: **Retention Order entered May 3, 2001,
effective as of April 2, 2001.**

Period for which compensation and reimbursement
is sought: **April 2, 2001 through June 30, 2001**

Amount of Compensation sought as actual,
reasonable, and necessary: **\$1,909,193.30**

This is a: ___ monthly x quarterly application.

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
May 29, 2001	4/2 - 4/30/01	\$626,079.00	\$32,439.84	pending	pending
June 29, 2001	5/1 - 5/31/01	\$567,151.00	\$77,487.86	pending	pending
July 31, 2001	6/1 - 6/30/01	\$560,569.50	\$45,466.13	pending	pending

K&E has filed certificates of no objection with the Court with respect to the Applications for April and May 2001 because no objections were filed with the Court within the objection period.

The K&E attorneys who rendered professional services in these cases during the Fee Period are:²

Name of Professional Person	Position with the applicant	Number of years as an attorney	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
Theodore Freedman	Partner	29 Years	Bankruptcy	\$575.00	22.50	\$12,937.50
Janet Baer	Partner	19 Years	Bankruptcy	\$495.00	436.00	\$215,820.00
Bennett Spiegel	Partner	17 Years	Bankruptcy	\$445.00	25.80	\$11,481.00
James Sprayregen	Partner	16 Years	Bankruptcy	\$625.00	61.90	\$38,687.50
Lena Mandel	Associate	11 Years	Bankruptcy	\$395.00	59.90	\$23,660.50
James Kapp III	Associate	7 Years	Bankruptcy	\$395.00	523.70	\$206,861.50
Roger Higgins	Associate	5 Years	Bankruptcy	\$235.00	426.90	\$100,321.50
Samuel Schwartz	Associate	4 Years	Bankruptcy	\$320.00	559.90	\$179,168.00
Deanna D. Boll	Associate	3 Years	Bankruptcy	\$320.00	63.90	\$20,448.00
Kristin Rooney	Associate	3 Years	Bankruptcy	\$280.00	0.40	\$112.00
Brian Lutz	Summer Associate	2 Months	Bankruptcy	\$145.00	17.30	\$2,508.50
Martin C. Attea	Associate	2 Years	Corporate	\$265.00	12.10	\$3,206.50
L. Mark Wine	Partner	31 Years	Environmental	\$505.00	0.60	\$303.00
Timothy Hardy	Partner	29 Years	Environmental	\$445.00	127.30	\$56,648.50
Mark Grummer	Partner	25 Years	Environmental	\$365.00	248.40	\$90,666.00

² Any capitalized terms not defined herein have the meaning ascribed to them in the First Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W. R. Grace & Co., et al., for April 2, 2001 through June 30, 2001.

Name of Professional Person	Position with the applicant	Number of years as an attorney	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
David Codevilla	Associate	5 Years	Environmental	\$295.00	159.50	\$47,052.50
Jane Davis	Summer Associate	2 Month	Environmental	\$125.00	25.40	\$3,175.00
John Irving, Jr.	Partner	36 Years	Labor	\$440.00	1.20	\$528.00
R. Timothy Stephenson	Partner	11 Years	Labor	\$350.00	1.70	\$595.00
David M. Bernick	Partner	23 Years	Litigation	\$655.00	151.90	\$99,494.50
Andrew Running	Partner	19 Years	Litigation	\$470.00	282.00	\$132,540.00
John Donley	Partner	16 Years	Litigation	\$445.00	1.00	\$445.00
Reed Oslan	Partner	14 Years	Litigation	\$445.00	67.30	\$29,948.50
Peter Bellacosa	Partner	13 Years	Litigation	\$460.00	0.50	\$230.00
Michelle Browdy	Partner	11 Years	Litigation	\$400.00	7.20	\$2,880.00
Sarah Marmor	Partner	8 Years	Litigation	\$375.00	125.70	\$47,137.50
Daryl Joseffer	Associate	6 Years	Litigation	\$350.00	15.90	\$5,495.50
Christopher Sullivan	Associate	6 Years	Litigation	\$350.00	241.30	\$84,455.00
Brant Bishop	Associate	5 Years	Litigation	\$330.00	8.80	\$2,904.00
Scott McMillin	Associate	5 Years	Litigation	\$330.00	200.40	\$66,132.00
Douglas Smith	Associate	5 Years	Litigation	\$315.00	27.50	\$8,662.50
J. Chad Mitchell	Associate	3 Years	Litigation	\$265.00	4.00	\$1,060.00
P. Renee Wicklund	Associate	3 Years	Litigation	\$265.00	41.00	\$10,865.00
Grant Cornehl	Associate	2 Years	Litigation	\$225.00	32.30	\$7,267.50
Kellye Fabian	Associate	1 Year	Litigation	\$195.00	148.40	\$28,938.00
Yvette Ney	Summer Associate	1 Month	Litigation	\$125.00	41.70	\$5,212.50
Brian Davis	Associate	3 Years	Real Estate	\$265.00	18.50	\$4,902.50
Julie Olsen	Associate	1 Year	Real Estate	\$265.00	5.30	\$1,404.50
Sven Nylen	Summer Associate	1 Month	Real Estate	\$140.00	15.30	\$2,142.00

Name of Professional Person	Position with the applicant	Number of years as an attorney	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
Donald Rocap	Partner	21 Years	Tax	\$625.00	10.00	\$6,250.00
Todd Maynes	Partner	14 Years	Tax	\$515.00	61.30	\$31,569.50
Kevin Coenen	Associate	4 Years	Tax	\$335.00	21.90	\$7,336.50
Natalie Keller	Associate	4 Years	Tax	\$365.00	28.70	\$10,475.50
Thomas Day	Associate	1 Year	Tax	\$235.00	47.00	\$11,045.00
Michael Hauswirth	Associate	1 Year	Tax	\$235.00	4.60	\$1,081.00
Andrew Kaufman	Partner	27 Years	Transactional	\$570.00	0.60	\$342.00
Kenneth Morrison	Partner	18 Years	Transactional	\$510.00	9.10	\$4,641.00

The paraprofessionals of K&E who rendered professional services in these cases during the Fee Period are:

Name of Professional Person	Position with the applicant	Number of years in that position	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
Elizabeth Cox Arnold	Legal Assistant	12 Years	Bankruptcy	\$150.00	5.50	\$825.00
Cheri Johnson	Legal Assistant	8 Years	Bankruptcy	\$140.00	1.00	\$140.00
Nathanael Meyers	Legal Assistant	8 Years	Bankruptcy	\$150.00	64.10	\$9,615.00
Brigitte Windley	Legal Assistant	4 Years	Bankruptcy	\$150.00	229.00	\$34,350.00
David Delsignore	Project Assistant	1 Year	Bankruptcy	\$70.00	5.50	\$385.00
Daniel Lee	Project Assistant	9 Months	Bankruptcy	\$70.00	4.50	\$315.00
Leslie Drinkwater	Project Assistant	9 Months	Bankruptcy	\$70.00	17.20	\$1,204.00

Name of Professional Person	Position with the applicant	Number of years in that position	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
Daniel Baglio	Case Assistant	8 Months	Bankruptcy	\$60.00	102.50	\$6,150.00
Anita Nowak	Case Assistant	5 Months	Bankruptcy	\$65.00	3.00	\$195.00
Eric Miller	Project Assistant	5 Months	Bankruptcy	\$70.00	0.20	\$14.00
Sabrina Mitchell	Project Assistant	4 Months	Bankruptcy	\$70.00	305.60	\$21,392.00
Aletheia Anderson	Project Assistant	1 Month	Bankruptcy	\$70.00	0.20	\$14.00
Jua Howard	Project Assistant	1 Month	Bankruptcy	\$70.00	0.50	\$35.00
Bertha Serrano	Legal Assistant	1 Month	Bankruptcy	\$105.00	1.60	\$168.00
Laura Urso	Legal Assistant	16 Years	Corporate	\$190.00	21.40	\$4,066.00
Christopher Valeri	Legal Assistant	8 Years	Corporate	\$130.00	62.00	\$8,060.00
Rebecca Landau	Project Assistant	11 Months	Corporate	\$80.00	16.00	\$1,280.00
Tanya Fawcett	Case Assistant	9 Months	Corporate	\$65.00	2.50	\$162.50
Melissa Piliere	Case Assistant	6 Months	Corporate	\$65.00	15.50	\$1,007.50
Lauren Mitchell-Dawson	Legal Assistant	12 Years	Environmental	\$165.00	1.30	\$214.50
Gayle Lodygowski	Case Assistant	12 Years	Intellectual Property	\$65.00	5.20	\$338.00
Alison Kucera	Project Assistant	1 Month	Intellectual Property	\$70.00	1.30	\$91.00
Shirley Pope	Legal Assistant	16 Years	Litigation	\$155.00	98.00	\$15,190.00
Kenneth Toth	Case Assistant	8 Years	Litigation	\$65.00	2.00	\$130.00

Name of Professional Person	Position with the applicant	Number of years in that position	Department	Hourly billing rate	Total billed hours	Total compensation April 2 - June 30
Travis Langenkamp	Legal Assistant	7 Years	Litigation	\$130.00	4.00	\$520.00
Kathy Sorce	Legal Assistant	6 Years	Litigation	\$150.00	13.50	\$2,025.00
Michael Rocco	Manager	3 Years	Litigation	\$165.00	0.50	\$82.50
Aaron Birnbaum	Project Assistant	1 Year	Litigation	\$70.00	50.50	\$3,535.00
Emily Knox	Project Assistant	11 Months	Litigation	\$70.00	1.30	\$91.00
Raquel Carrillo	Legal Assistant	7 Months	Litigation	\$100.00	111.90	\$11,190.00
Susan Polk	Legal Assistant	16 Years	Tax	\$180.00	7.00	\$1,260.00
Biographical Research				\$110.00	2.80	\$308.00
Government Agency Research				\$110.00	1.00	\$110.00
Legislative Research				\$110.00	2.50	\$275.00

Grand Total for Fees: \$1,753,799.50
Blended Rate: \$315.74

Compensation by Matter

Matter Number	Matter	Total Hours	Total Fees Requested
16	Asset Analysis and Recovery	129.90	\$44,162.00
17	Automatic Stay Matters/Relief from Stay Proceedings	234.30	\$79,076.50
18	Bankruptcy Filing	153.50	\$52,508.00
19	Carriers	1.50	\$592.50
20	Case Administration	635.70	\$134,462.50
21	Claim Estimate, Objection and Resolution	306.10	\$112,759.50
22	Contested Matters/Adversary Proceedings	1580.80	\$598,189.50
23	Corporate and Securities Matters	13.70	\$5,509.00
24	Creditors/Noteholders Committee	154.80	\$64,682.00
25	Creditors/Shareholders Committee	116.20	\$34,623.00
26	DIP Financing/Cash Collateral	368.30	\$74,150.50
27	Employee Matters	194.90	\$56,859.00
28	Environmental Issues	329.40	\$117,127.50
29	File, Docket, Calendar Maintenance	241.80	\$19,678.00
30	Hearings	124.70	\$58,648.50
31	Intellectual Property	0.20	\$79.00
32	K&E Fee Application, Preparation of	135.50	\$20,570.00
33	Lease Rejection Claims	90.20	\$26,179.00
34	Lien Issues	0.30	\$118.50
35	Other Fee Applications	1.10	\$434.50
36	Reclamation Claims	15.40	\$4,082.50
37	Reorganization Plan/Disclosure Statement/Confirmation Issues	11.30	\$3,746.50
38	Retention of Professionals/Fees	168.80	\$52,534.00
39	Schedules/Statement of Financial Affairs	198.60	\$65,479.50
40	Subsidiaries/Non-Debtor Affiliates	1.10	\$507.50
41	Tax Matters	142.90	\$53,379.50
42	Travel	72.00	\$28,116.50

43	Use, Sale, Lease or Abandonment of Property	0.70	\$437.50
44	U.S. Trustee	31.20	\$10,984.50
45	Utilities	45.50	\$14,701.00
46	IRS Tax Litigation	53.80	\$19,421.50

Expense Summary

<u>Description</u>	<u>Amount</u>
Telephone	\$4,444.57
Facsimile Charges	\$3,204.71
Standard Copies	\$6,525.44
Color Copies	\$39.00
Binding	\$75.25
Outside Copy/binding Service	\$3,945.01
Tabs/Indexes/Dividers	\$44.60
Postage	\$107.79
Local Transportation	\$386.67
Travel Meals	\$930.05
Overnight Delivery	\$1,654.45
Travel Expense	\$19,621.76
Airfare	\$42,492.75
Travel to/from Airport	\$1,540.24
Other Travel Expenses	\$690.10
Computer Database Research	\$4,342.25
Library Document Procurement	\$400.00
Information Broker Services	\$53,251.04
Calendar/Court Services	\$130.00
Working Meals	\$244.70
Overtime Meals	\$144.00
Overtime Meals- Attorney	\$250.75
Overtime Transportation	\$537.49
Secretarial Overtime	\$7,331.83
Outside Messenger Service	\$354.38
Miscellaneous Office Expenses	\$100.00
Trial Exhibits	\$2,605.00
Total	\$155,393.83

